

Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 IO-13 TRSE-00 AID-05 CEA-01

CIAE-00 COME-00 EA-07 FRB-03 INR-07 NEA-10

NSAE-00 USIA-06 OPIC-03 SP-02 LAB-04 SIL-01

AGRE-00 OMB-01 SS-15 L-03 XMB-02 /104 W

-----000598 291039Z /23

R 201603Z JUL 77

FM AMEMBASSY BERN

TO SECSTATE WASHDC 4698

INFO AMEMBASSY LISBON

LIMITED OFFICIAL USE BERN 3430

DEPT PASS OECD CAPITALS; USOECD FOR KORP

EO 11652: NA

TAGS: EFIN PO SZ

SUBJ: FINANCIAL ASSISTANCE FOR PORTUGAL

REF: STATE 163429

1. EMBOFF DISCUSSED CONTENTS REFTEL WITH DANIEL KAESER, MONETARY AFFAIRS ADVISOR, FEDERAL FINANCE AND CUSTOMS DEPT, JUL 28. KAESER CONFIRMED THAT FEDERAL COUNCIL HAS AGREED PROVIDE US \$30 MILLION LOAN TO PORTUGAL. FEDERAL COUNCILOR (FINANCE MINISTER) CHAEVALLAZ WILL SOON SEND LETTER TO SWISS NATIONAL BANK (SNB) PRESIDENT LEUTWILER AUTHORIZING SNB TO ENTER INTO DISCUSSIONS ON LOAN CONDITIONS WITH PORTUGUESE CENTRAL BANK.

2. KAESER SAID AGREEMENT SHOULD BE READY FOR SIGNATURE BETWEEN SWISS AND PORTUGUESE CENTRAL BANKS BY SEPTEMBER. HOWEVER, SWISS WIL PROBABLY WANT TO SEE PROGRESS BEING MADE BY
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OTHER COUNTRIES TOWARD PORTUGAL BEFORE CONCLUDING AGREEMENT.

3. TERMS OF LOAN THEREFORE NOT YET AVAILABLE. KAESER SAID SWISS LAW CONSTRAINS CONFEDERATION NOT TO GUARANTEE SNB LOAN FOR MORE THAN 7 YEARS, WHICH WOULD PROBABLY DETERMINE MATURITY OF SWISS LOAN. HE DECLINED TO VENTURE ANY ESTIMATE OF DISBURSEMENT

SCHEDULE OR INTEREST RATE, THOUGH HE THOUGHT SWISS
INTEREST RATE WOULD PROBABLY BE IN LINE WITH THAT
OF OTHER COUNTRIES.

4. KAESER SAID THAT SWISS WOULD PROBABLY NOT LINK
DISBURSEMENTS TO PORTUGUESE ECONOMIC PERFORMANCE,
BUT NATURALLY WISHED TO SEE PORTUGAL CONCLUDE
SECOND TRANCHE AGREEMENT WITH IMF. HE SAID SWISS
DID NOT ENVISAGE TYING LOAN TO COMMODITY PROCUREMENT.
HE ADDED THAT SWISS DID NOT FEEL THAT PLANS BY
OTHER COUNTRIES TO GIVE EXPORT CREDIT WERE APPROPRIATE.

5. KAESER EXPRESSED APPRECIATION FOR INFO ON US LOANS AND
SAID HE WOULD LOOK FORWARD TO RECEIVING ANY INFO US ABLE
TO PROVIDE ON PROGRESS OF CONTRIBUTIONS BY OTHER PARTICIPANTS.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, ECONOMIC ASSISTANCE, BALANCE OF PAYMENTS, FOREIGN ASSISTANCE
Control Number: n/a
Copy: SINGLE
Sent Date: 20-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BERN03430
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770272-0435
Format: TEL
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19770740/aaaabibt.tel
Line Count: 78
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Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 163429
Retention: 0
Review Action: RELEASED, APPROVED
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Review Date: 01-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1810997
Secure: OPEN
Status: NATIVE
Subject: FINANCIAL ASSISTANCE FOR PORTUGAL
TAGS: EFIN, PO, SZ
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/49380467-c288-dd11-92da-001cc4696bcc
Review Markings:
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